AMO

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A STUDY OF JOB EVALUATION

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A STUDY OF JOB EVALUATION

PART I:

THE BASICS OF JOB EVALUATION:

APPLICATION AND LIMITATIONS

PART II:

A SURVEY OF JOB EVALUATION PRACTICES

IN

THE ONTARIO MUNICIPAL SECTOR

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PART I:

THE BASICS OF JOB EVALUATION:

APPLICATION AND LIMITATIONS

Despite the fact that job evaluation is regarded as an important tool for human resource management and despite the fact that job evaluation has been available to employers for a number of decades, few employers elect to implement a job evaluation system. Given that job evaluation may be a new and, perhaps, confusing concept for some, the intent of this brief report is to convey the fundamentals of job evaluation, provide some insight about the role it plays when giving consideration to equal pay for work of equal value, and to describe some of its general limitations.

For the moment, no true incentive exists for an employer to conduct job evaluation except, perhaps, that it might be valuable, from the perspective of good human resource management, to assess whether base wages for jobs are competitive with market rates and whether jobs within the organization, itself, are being adequately compensated relative to each other. However, if there is a hint that the outcome of job evaluation would result in a higher expenditure for wages, employers are more likely to steer away from it.

Today, though, there exists the concept of equal pay for work of equal value and this makes the topic of job evaluation extremely

timely for two reasons. First, implicit to the concept of equal pay for work of equal value is the notion that, within the organization, jobs are to be compared on the basis of their value, relative to each other, even though the duties of jobs may be dissimilar. As such, a mechanism with which the equality of value amongst jobs can be tested is required. This is exactly what job evaluation is intended to do. Second, when equal pay for work of equal value takes legislative form, presumably replacing the equal pay for equal work provisions under the Employment Standards Act, employers will likely be compelled to implement a job evaluation scheme. The decision to implement job evaluation will no longer be voluntary. In short, job evaluation will become the nucleus of equal pay for work of equal value.

But what exactly is job evaluation? The term is quite often confused with job analysis, job description, job specification and, oddly enough, performance evaluation.

Before job evaluation is defined, it is important to first understand the term "job" since this is generally confused with "position". A "position" is "an aggregation of duties, tasks and responsibilities requiring the full-time service of one worker."(1) A position is unique to each worker since it is unlikely that two workers, given the same duties, will carry out those duties in exactly the same fashion.

A job, on the other hand, is "a group of positions that are identical with respect to their major or significant tasks."(2)

That is, a job is a bundle of positions. So, in essence, when one is engaged in job evaluation, one is evaluating bundles of positions. It is important to keep in mind that when job evaluation is being performed, one is not evaluating the characteristics or performance of the incumbent of the job but, rather, the characteristics of the job itself. One way to avoid confusion is to pretend, for a moment, that no incumbents are present in the job.

Job evaluation, itself, refers to "the process of determining the 'value' of a job within an organization relative to all other jobs in the same organization".(3) That is, insofar as equal pay for work of equal value is concerned, jobs would be rank-ordered in such a way that jobs carrying equal value, but not necessarily equal or identical tasks and duties, can be detected.

Setting aside, for the moment, the notion of job families (ie. the natural or logical grouping of jobs based on a set of common factors) and speaking in simple terms, the end result for a particular organization might be a long list of jobs that are rank-ordered from what it believes to be the most valuable job to the least valuable, for example, with the values of jobs differing significantly from one another. If this is the outcome, then one would be able to say that there are no two jobs in this organization carrying equal value. Or, alternatively, the result of rank-ordering might be one long horizontal row of jobs, in which case one could say that all the jobs in the organization are of equal value and should, therefore, all be paid the same

base wage.

Another outcome, this time using the notion of job families, might be several short lists of jobs, each of which represents one job family and each of which has been rank-ordered on some basis. When the lists are matched against each other, one could see which jobs, across the job families, are considered to be of equal value.

In order to attain such outcomes, job evaluation serves as an instrument of measure.

There are several different job evaluation plans available on the market, each carrying a different brand name. Picking the best one is, in part, a matter of knowing in advance which plan best suits the needs of the organization.

Aside from being a means to assess equal value, job evaluation offers some other advantages for the human resource function.

Dunn and Rachel, two authors on the subject of job evaluation, offer these advantages (4):

1) It can establish wage rates for each job in a logical, reasonable and systematic fashion.
2) It provides a process that is capable of promoting discussion throughout the entire organization.
3) It establishes definite groupings of and relationships between

jobs with definite equitable value differentials.

4) It can provide a process whereby new jobs can be introduced with a minimum of disturbance.
5) It can provide meaningful data for other functions such as job training, recruitment and long-range manpower planning.
6) And, it can be preventative medicine to the extent that it identifies discrepancies in the wage rates of jobs carrying equal value.

Basically, there are four types of job evaluation schemes - two that are qualitative in nature and two that are quantative. The various plans available on the market can be grouped according to these four schemes.

The qualitative ones are the ranking method and the job classification method.

As the name suggests, the ranking method simply involves sorting all jobs from what is believed to be the most valuable to the least valuable based on one or more pre-determined compensable factors, such as skill, effort, responsibility and working conditions. The second is the job classification method which is similar to the ranking method. Under this scheme, jobs are sorted into classes or groups based on one or more of the compensable factors. Normally, once classes have been established, a bench-mark job is selected for each class and jobs are sorted in relation to the bench-marks.

While both of these methods are relatively simple schemes, both require the individual, who is conducting the assessment, to keep the whole job in mind as the assessment is performed. Naturally, the assessor's task becomes increasingly difficult as more compensable factors are used. At best, the assessor can contend with only two such factors.

As well, the highly subjective nature of these methods and the lack of concrete pre-determined standards means that there is lots of room for disagreement, not only between labour and management, but also amongst those conducting the assessment. Universal agreement is virtually impossible to attain and insofar as the job classification method is concerned, not only is it difficult to determine the class into which jobs should be slotted, but, also, there is considerable difficulty in establishing exactly what the class description, itself, should state.

The two quantative methods of job evaluation dispense with having to keep the whole job in mind, requiring, instead, an evaluation based on the individual components of jobs. This, in turn, requires that statistical standards, against which jobs will to be measured, are first established.

By far, the most popular is the point method. Plans such as the Hay system, the Jacques system, the Aiken plan, and the decision-band plan are all based on the point method. Those who market these plans build in their own little oddities to set them apart

from others. However, all such plans operate in much the same fashion.

Basically, the method requires that a base number of points be used, say 1000. For the jobs being evaluated in a particular job family, each compensable factor, pre-selected for the evaluation of all jobs, is then assigned a weight and the base points are divided amongst the compensable factors according to their respective weights. So, if SKILL was one of five compensable factors being used for the evaluation and, for a particular job family, was judged as requiring a weight of 45%, the total points assigned to SKILL would be 450.

Each factor is then broken down into minute "degrees" or "grades" that are progressive by description and the total points assigned to the compensable factor for that job family are spread out over its degrees using an arithmetic or geometric progression. For example, if SKILL was one of the compensable factors, it might be sub-divided into six degrees, stating, at the bottom end of the spectrum, that only routine skills are required, and at the top end of the spectrum, that highly technical skills are required. The 450 points assigned to skill would then be spread across the degrees in progressive amounts, generally beginning with the highest degree and assigning this with the maximum points available to the compensable factor. So the highest of the six degrees would carry 450 points and the lowest would carry 75 points, with the degrees in between carrying points in increments of 75 points. This, then, would establish the standard for one compen-

Point Plan Job Evaluation

Primary Factor	*Subfactor*	*Points*	*Percentage*
Skill	Education	70	14
	Experience	110	22
	Initiative and ingenuity	70	14
	Subtotal	250	50
Effort	Physical	50	10
	Mental	25	5
	Subtotal	75	15
Responsibility	Equipment process	25	5
	Material or product	25	5
	Safety of others	25	5
	Work of others	25	5
	Subtotal	100	20
Working conditions	Job conditions	50	10
	Hazards	25	5
	Subtotal	75	15
Grand total		500	100

[1]*Job Rating Manual*, National Electrical Manufacturers Association, New York, 1964, p. 2.

Source: Wage and Salary Administration:
Total Compensation Systems
J.D. Dunn and Frank M. Rachel
McGraw-Hill Inc.
1971
Pp. 167-191

Example of Point Distribution over Degrees for a particular Compensable Factor

Points	*Degree*	
10	1.	Position requires an elementary knowledge of banking methods, training in English, and some proficiency in arithmetic and varied business routines and requires the ability to spell and punctuate correctly, use good grammar, and use fractions and decimals accurately. The above may be represented by graduation from high school.
20	2.	Position requires a working knowledge of accepted banking procedures or general commercial or technical practice used in some field of banking such as may be represented by graduation from high school plus a standard A.I.B. certificate or completion of related evening school studies.
40	3.	Position requires a thorough knowledge of some specialized area in banking, finance, or a technical subject such as may be represented by completion of a two-year business school course and a working knowledge of several related areas or functions.
50	4.	Position requires a working knowledge of financial, commercial, or technical practice and principles plus specialization in a particular area such as may be represented by a college degree or completion of studies at a graduate school of banking.
100	5.	Position requires a thorough knowledge of broad financial, commercial, or technical practice and principles plus specialization in a particular field and a working knowledge of related fields such as may be represented by a master's degree or similar intensive study beyond college.
320	6.	Position requires highly technical and thorough knowledge in one or more specialized fields such as may be represented by a doctoral degree or by more than one graduate degree or the equivalent gained from varied intensive professional study as would be required for the formulation of detailed economic or other analysis or in the practice of psychology, medicine, law, or other recognized professional occupations.

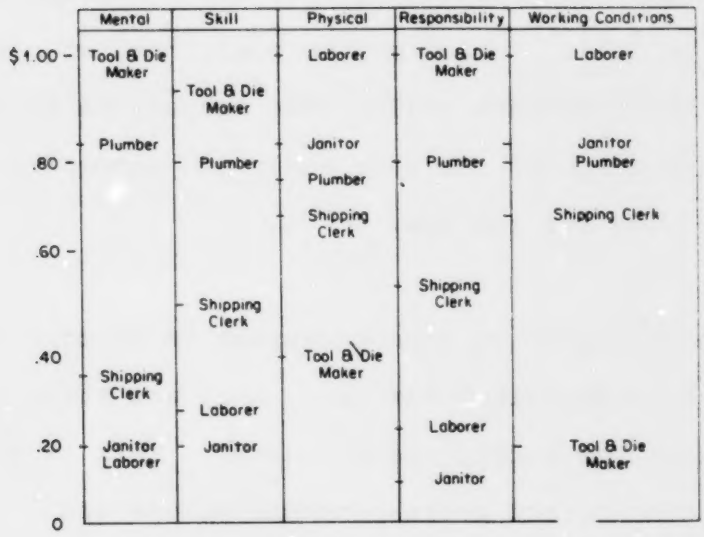
sable factor for one job family. The process is then repeated for the remaining compensable factors and then for each of the remaining job families.

It should be noted, though, that this is only one method of establishing the point standards. In certain situations the description of the degrees may not consist of even units and may, therefore, warrant uneven point distributions across the degrees to reflect this.

Once all standards have been set, each job, to be evaluated, is broken down by the compensable factors and degrees, respectively, and awarded points accordingly. The points are then summed to get the overall point rating or value of the job. As can be seen, jobs that have unrelated tasks and, yet, carry close to the same total points are considered to be of equal value.

The final method that will be outlined briefly is the factor-comparison method which, like the point method, requires jobs to broken down by the compensable factors used for the evaluation. Of all the methods, though, this one is the most difficult to communicate to the layman but results in a process that has been tailored exlusively to the needs of the organization.

Without delving into the mechanics of factor-comparison, the end result is a gigantic spreadsheet that lists the compensable factors along the top and has a wage rate scale positioned along



Factor comparison; method of job evaluation of key jobs.

Source: Wage and Salary Administration:
Total Compensation Systems
J.D. Dunn and Frank M. Rachel
McGraw-Hill Inc.
1971
Pp. 167-191

the side. Bench-mark jobs, and the wage each carries, have been broken down by compensable factor and their parts have been slotted into the appropriate cell on the spreadsheet. This then becomes the framework for the evaluation. Once completed, other jobs, both new and existing, are similarly broken down and slotted into the cells, which may be positioned at, above or below those of the bench-mark cells. The respective dollar values of the parts are read off the wage scale and summed to determine the appropriate wage for the job.

While these quantatative schemes appear to be more objective than the two methods described earlier, they are still premised upon the development of subjective standards. This is especially true for the point method where personal values and interpretations play an implicit role in setting the point values for the compensable factors. Also, the absolute number of points used is incidental. Any number of points can be used. What is important, though, is the absolute "difference" in points that emerges between any two jobs being evaluated, thereby by giving a "relative" ordering of jobs. The layman, however, is not likely to understand this. For him or her, the total points that his or her job ends up carrying bears more of an interpretive value than it is intended to have. It is almost as if a dollar sign should be placed in front of that number.

Under the factor-comparison method, bench-mark jobs selected are assumed to be free from inequities. However, the probability of this being true is slim and, therefore, the organization runs the

risk of having its entire job evaluation and subsequent wage rates skewed. Aside from this, the factor-comparison method is seldom used due to the large amount of personnel resources it consumes in its administration.

Turning back to equal pay for work of equal value, while all four methods provide a rank-ordering of jobs based on how they are valued, only the point method allows easy identification of those jobs with equal value. However, it should be reiterated that this method, like all others, is still "subjective". There is no such thing as an "objective" job evaluation method. Even if statistical standards have been set, those conducting the assessment must still use personal judgements when deciding which degree applies to the job or into which cell the jobs should be slotted. As such a whole host of behavioural side effects can emerge. The most common is the "halo" effect whereby an assessor, either consciously or subconsciously, evaluates jobs using some other factor inherent to his or her own personality but unrelated to the compensable factors used by the evaluation. And because the human element is involved in job evaluation, there is no way to control for such behavioural side effects.

Since job evaluation is so subjective, the single most important criterion to be considered when selecting a job evaluation scheme is "acceptability". That is, will all those, who will be party to the plan, have enough faith in it to use it consistently? The answer to this depends largely on the relationship of the parties

and final selection of a plan in unionized environments will most likely be determined at the bargaining table - not by third parties. In unionized environments a fair amount of compromise will, in all likelihood, need to occur before the point of acceptability is reached.

One last caution about job evaluation in general and one as it relates to the point method are in order. Although several organizations may use the same job evaluation methodology, plans, themselves, are not portable. That is, a plan which is working well for one organization cannot be transplanted into another because of the "acceptability" factor just outlined. Taking this one step further, two organizations that have exactly the same number and types of jobs and that each use the same plan are unlikely to emerge with the same results. Again, this is due to the fact that each organization may interpret a given set of the compensable factors differently and, therefore, weight them differently. This has important implications for the scope of use of a particular point plan in testing for equal value. The scope could not possibly extend beyond a single establishment. That is, one could not test for equal value "across" organizations because organizations are unlikely to value similar jobs in the same way. In fact, the belief that equal pay for work of equal value legislation would require this to be done is a popular misconception.

While it may be possible for legislators to specify which method of job evaluation is preferred, actual selection of the method and plan, themselves, will have to be left to the discretion of

each organization. This, in fact, is the approach that Manitoba has taken with its equal value legislation. Organizations can elect to use any plan and are encouraged to use the the point method. However, through formal negotiations, the method and plan must be established by mutual agreement between the employer and its bargaining agents. If the parties reach an impasse during negotiations, then binding arbitration is invoked.

As well, the Manitoba government has stated that it is content to establish equal value within each organization, especially the larger ones, rather than across organizations.

In closing, job evaluation is, today, receiving greater attention only because of the concept of equal pay for work of equal value. While job evaluation can be regarded as an important tool for monitoring the characteristics of jobs, it should be placed in proper context and not viewed as something that it is not - that is, scientific and the utlimate solution to all compensation problems.

Here, only a brief outline of the conventional methods of job evaluation methods has been presented. No attempt has been made to address the myriad of other issues behind equal pay for work of equal value. Rather, the intent was to provide a glimpse of how the technique of job evaluation relates to the assessment of equal value.

Although, in the final analysis, the choice of a particular plan should address an organization's needs and goals, in the end, success of the plan and consistent use of it ultimately rest upon how acceptable it will be to all parties potentially affected by it. And this may be thought of as the "bottom line" for job evaluation.

Footnotes:

(1) Dunn, J.D. and Frank M. Rachel - Wage and Salary Administration: Total Compensation Systems; McGraw-Hill Inc., 1971; p.135

(2) Dunn and Rachel; ibid; p.135

(3) Dunn and Rachel; supra; p.167

(4) Dunn and Rachel; supra; p.168

Other References:

McBeath, G. and D.N. Rands - Salary Administration; 3rd ed.; Business Books Ltd.; London, England; 1976

PART II:

A SURVEY OF JOB EVALUATION PRACTICES IN THE ONTARIO MUNICIPAL SECTOR

Introduction:

Given the expectation that job evaluation will, in some form, be the focal point for the provincial government's initiatives toward "equal pay for work of equal value", the main purpose of the second part of this study is to determine the current state of policy and practice in the Ontario municipal sector with respect to job evaluation. The study attempts to identify the reasons that influence municipalities, as employers, to implement or not implement job evaluation and provides some insight as to the types of plans presently in use and the manner in which these are administered.

In light of the fact that, for the moment, there is no obligation for any employer to implement job evaluation, an alternative view of this study is to show the degree of "preparedness" of the municipal sector to accept job evaluation into the workplace and to assess whether implementation of such a mechanism is feasible for all municipalities in Ontario.

Additionally, the results of this survey provide some empirical background for AMO's response to the provincial government's Green Paper on equal pay for work of equal value.

Methodology and Sample:

The study was conducted by using a questionnaire (Appendix A) that was mailed to AMO's municipal membership during mid-September of 1985. Respondents were permitted approximately one month in which to complete it. Although the questionnaire was mailed to the Clerk of each municipality, the covering letter asked that the questionnaire be directed to the individual who knew the most about that particular municipality's job evaluation system. This, it was hoped, would result in the survey being completed properly and promptly.

The questionnaire was designed to solicit responses in several areas, namely, the reasons for implementing or not implementing job evaluation (question 4), determination of how it is communicated (question 5), identification of the employee groups covered by the plan (question 6), identification of the manner in which it is administered (questions 8 to 11), details about the plan's composition (questions 12 to 16) and practice related to the outcome of job evaluation (question 17).

AMO's membership, to date, consists of 630 or 75% of the 838 municipalities in Ontario, representing 95% of the province's population and covering a wide spectrum of municipal types that range from the large counties, regions and districts to the small towns and villages. In order to determine whether size of municipality has an effect on decisions regarding job evaluation,

survey results were broken down into four population categories - those with populations between 1 and 9,999, between 10,000 and 49,999, between 50,000 and 99,999 and those with populations over 100,000.

By the deadline date for return of the questionnaire, 333 responses (53% of the sample group) had been received. Although Table 1 shows an uneven distribution of respondents over the four population categories, the table below reveals that this distribution closely matches the actual population distribution for all 838 municipalities, based on population data obtained from the Ministry of Municipal Affairs. As such, the returns were considered to be representative.

Population Category	(a) Number of Municips.	(b) Ratio of (a) based Pop. Cat.3	(c) Respon-dents	(d) Ratio of (c) based Pop. Cat.3
(1) 1 - 9,999	680	22.7	243	12.8
(2) 10,000 - 49,999	90	3.0	46	2.4
(3) 50,000 - 99,999	30	1.0	19	1.0
(4) 100,000 and over	38	1.3	25	1.3
TOTAL	838		333	

SURVEY RESULTS:

General and Decision to Implement:

Table 1 shows that, of the 333 respondents, only 17% have job evaluation plans in place and are municipalities with populations in excess of 50,000 residents. Respondents from smaller municipalities, primarily those with populations under 10,000, indicated that they did not have job evaluation plans.

The reasons for having implemented or not implemented a job evaluation plan are shown in Tables 2 and 3 respectively.

In Table 2, the two reasons most often cited by municipalities for not implementing a plan were that "council has not considered it" (41.2% of respondents) and because of the "small number of full-time employees" being employed (33.8% of respondents). Both reasons were more often cited by smaller municipalities than by larger municipalities.

The results seem to indicate that size of the municipality plays an important role in decisions about job evaluation. This may be so since size is likely to dictate the volume and complexity of business conducted, thereby determining the number and characteristics of jobs. In small municipalities the number of jobs are likely to be fewer and the related job structure less complex in nature. Smaller municipalities, as a result, may feel that a

TABLE 1

Question 3a - Does your municipality use a job evaluation plan at present?

Population Category	yes	% of Categ. Tot.	no	% Categ. Tot.	CATEGORY TOTAL	% of CATEG. TOT.
(1) 1 to 9,999	9	3.7%	234	96.3%	243	100.0%
(2) 10,000 to 49,999	17	37.0%	29	63.0%	46	100.0%
(3) 50,000 to 99,999	13	68.4%	6	31.6%	19	100.0%
(4) 100,000 and over	18	72.0%	7	28.0%	25	100.0%
COLUMN TOTAL	57	17.1%	276	82.9%	333	100.0%

TABLE 2

Question 4b - Reasons for Deciding Against Implementation of Job Evaluation Plan

Reason:	Population Category (1) 1 to 9,999	% of Categ. Tot.	(2) 10,000 to 49,999	% of Categ. Tot.	(3) 50,000 to 99,999	% of Categ. Tot.
council has not considered it	85	43.4%	6	28.6%	1	25.0%
job evaluation is being planned for the future	17	8.7%	5	23.8%	1	25.0%
small number of full-time employees (10 or less)	74	37.8%	3	14.3%	0	0.0%
belief that it would be off little or not value	14	7.1%	2	9.5%	1	25.0%
considered too expensive to implement	4	2.0%	0	0.0%	0	0.0%
unsuccessful attempts at implementation	1	0.5%	5	23.8%	1	25.0%
no standard personnel policies exist	1	0.5%	0	0.0%	0	0.0%
CATEGORY TOTAL	196	100.0%	21	100.0%	4	100.0%
no response	38		8		2	
% of no response to CATEG. TOT. plus no response	16.2%		27.6%		33.3%	

TABLE 2 (cont'd)

Reason:	(4) 100,000 and over	% of Categ. Tot.	REASON CATEGORY TOTAL	% of reason category
council has not considered it	2	28.6%	94	41.2%
job evaluation is being planned for the future	5	71.4%	28	12.3%
small number of full-time employees (10 or less)	0	0.0%	77	33.8%
belief that it would be off little or not value	0	0.0%	17	7.5%
considered too expensive to implement	0	0.0%	4	1.8%
unsuccessful attempts at implementation	0	0.0%	7	3.1%
no standard personnel policies exist	0	0.0%	1	0.4%
CATEGORY TOTAL	7	100.0%	228	100.0%
no response	0		48	
% of no response to CATEG. TOT. plus no response	0.0%		17.4%	

sophisticated and costly system of job evaluation is neither practical nor easily justified. For these employers, a simple ranking method of job evaluation, if required, may be more acceptable.

The fact that smaller municipalities also cited that "council had not considered it" may indicate that political motivation plays a role as well. That is, job evaluation may be, under certain circumstances, council's solution to address particular needs that are related, for example, to public concern over the level of salaries paid or perceptions of discriminatory discrepancies existing between salaries. The fact that council has not devoted significant attention to job evaluation in smaller municipalities may be an indication that such needs are not as profound because job structures are less complex and the question of salary levels are not as profound. Alternatively, it may be that "change", in general, comes to these small municipalities less rapidily than it does for larger municipalities, and, as such, job evaluation may eventually come to the small municipalities in the future.

Larger municipalities, which indicated that they did not have a job evaluation plan, gave stronger indications, than did smaller municipalities, of devoting more attention to the idea by stating that "a plan was being considered for the future". Again, perhaps due to the more complex nature of job structures in these municipalities, the perceived need for job evaluation, as a means of monitoring job characteristics and their salaries, is more in order.

Table 3 shows the reasons stated in favour of implementing job evaluation by those currently possessing a plan. Here, the leading reason was the need "to clear up inequities in salaries known to be present" (38.6% of respondents). This was particularly true amongst larger municipalities.

Since council normally makes the final decision with respect to personnel policies and, therefore, has the final word in deciding whether job evaluation should be implemented, it is possible that some degree of political motivation prompted examination of salaries to test for discrepancies.

An interesting secondary reason cited was "the desire to be viewed as fair" (22.7% of respondents). Again, this was particularly true amongst the large municipalities. One explanation may be that job evaluation, even though it is premised upon subjective measurements, can give those who are party to it, the perception of being an objective mechanism, particularly if it utilizes a great deal of statistical manipulation and is used consistently over time. In this light, job evaluation may be viewed as a "fair" way to resolve salary disputes and ease employee dissatisfaction.

TABLE 3

Question 4a - Reasons For Implementing Job Evaluation Plan

Reason:	Population Category (1) 1 to 9,999	% of Categ. Tot.	(2) 10,000 to 49,999	% of Categ. Tot.	(3) 50,000 to 99,999	% of Categ. Tot.
a need to determine job characteristics	1	12.5%	1	8.3%	0	0.0%
council, employee and/or union dissatisfaction	4	50.0%	0	0.0%	0	0.0%
consistency in setting standards	1	12.5%	0	0.0%	2	20.0%
administrative tool for setting and monitoring salaries	1	12.5%	1	8.3%	0	0.0%
only passive usage	1	12.5%	0	0.0%	0	0.0%
desire to be viewed as fair	0	0.0%	4	33.3%	1	10.0%
to clear up inequities in salaries known to be present	0	0.0%	6	50.0%	7	70.0%
decision of council	0	0.0%	0	0.0%	0	0.0%
CATEGORY TOTAL	8	100.0%	12	100.0%	10	100.0%
no response	1		5		3	
% of no response to CATEG. TOT. plus no response	11.1%		29.4%		23.1%	

TABLE 3 (cont'd)

Reason:	(4) 100,000 and over	% of Categ. Tot.	REASON CATEGORY TOTAL	% of reason category
a need to determine job characteristics	0	0.0%	2	4.5%
council, employee and/or union dissatisfaction	0	0.0%	4	9.1%
consistency in setting standards	0	0.0%	3	6.8%
administrative tool for setting and monitoring salaries	3	21.4%	5	11.4%
only passive usage	0	0.0%	1	2.3%
desire to be viewed as fair	5	35.7%	10	22.7%
to clear up inequities in salaries known to be present	4	28.6%	17	38.6%
decision of council	2	14.3%	2	4.5%
CATEGORY TOTAL	14	100.0%	44	100.0%
no response	4		13	
% of no response to CATEG. TOT. plus no response	22.2%		22.8%	

Plan Coverage:

In question 3b, respondents were asked to state the number of job evaluation plans they had in place. Table 4 shows that a majority across all population categories indicated that only one plan was in existence (77.2% of respondents).

However, as tabulated from the responses to question 6, Table 5 reveals that a large majority of these single plan holders (70.5%) cover two or more job groups with the plan. As such, it seems that most municipal employers with plans are able to assess the relative rankings of jobs that possess dissimilar tasks and duties.

Table 6 shows the job groups covered by municipal job evaluation plans. It should be noted that the sum of the columns does not equal the total number of municipalities with job evaluation plans because, as indicated above, one plan may cover more than one job group.

Relative to the other employee groups, more respondents indicated that their plan covers the administrative-management job group (42.2% of responses) than any other group. This was followed by the clerical-technical group (33.6% of responses). However, when one classifies plan coverage by "non-unionized job group only" versus "both unionized and non-unionized jobs in a group", then

TABLE 4

Question 3b - Number of Job Evaluation Plans In Place

Population Category	1 Plan	% of Categ. Tot.	2 Plans	% of Categ. Tot.	3 Plans	% of Categ. Tot.
(1) 1 to 9,999	8	88.9%	0	0.0%	1	11.1%
(2) 10,000 to 49,999	16	94.1%	1	5.9%	0	0.0%
(3) 50,000 to 99,999	11	84.6%	1	7.7%	1	7.7%
(4) 100,000 and over	9	50.0%	6	33.3%	1	5.6%
COLUMN TOTAL	44	77.2%	8	14.0%	3	5.3%

Population Category	4 Plans	% of Categ. Tot.	5 Plans	% of Categ. Tot.	CATEGORY TOTAL	% of CATEG. TOT
(1) 1 to 9,999	0	0.0%	0	0.0%	9	100.0%
(2) 10,000 to 49,999	0	0.0%	0	0.0%	17	100.0%
(3) 50,000 to 99,999	0	0.0%	0	0.0%	13	100.0%
(4) 100,000 and over	1	5.6%	1	5.6%	18	100.0%
COLUMN TOTAL	1	1.8%	1	1.8%	57	100.0%

TABLE 5

Number of Respondents With One Plan
Covering One or More Employee Groups

Population Category	Resps. covering 1 group	% of Categ. Tot.	Resps. covering 2 groups	% of Categ. Tot.
(1) 1 to 9,999	0	0.0%	5	62.5%
(2) 10,000 to 49,999	6	37.5%	6	37.5%
(3) 50,000 to 99,999	3	27.3%	4	36.4%
(4) 100,000 and over	4	44.4%	5	55.6%
COLUMN TOTALS	13	29.5%	20	45.5%

Population Category	Resps. covering 3 groups or more	% of Categ. Tot.	CATEGORY TOTAL	% of CATEG. TOT.
(1) 1 to 9,999	3	37.5%	8	100.0%
(2) 10,000 to 49,999	4	25.0%	16	100.0%
(3) 50,000 to 99,999	4	36.4%	11	100.0%
(4) 100,000 and over	0	0.0%	9	100.0%
COLUMN TOTALS	11	25.0%	44	100.0%

TABLE 6

Question 6a - Employee Groups Covered by Job Evaluation Plans

Population Category	ADMINISTRATIVE-MGT. Respondents	% of Categ. Tot.	Resps. covering ALL jobs	% of Categ. Tot.	CLERICAL-TECHNICAL Resps. covering non-union jobs only	% of Categ. Tot.
(1) 1 to 9,999	8	38.1%	7	33.3%	1	4.8%
(2) 10,000 to 49,999	16	50.0%	10	31.3%	2	6.3%
(3) 50,000 to 99,999	10	34.5%	12	41.4%	1	3.4%
(4) 100,000 and ove	15	44.1%	10	29.4%	5	14.7%
COLUMN TOTAL	49	42.2%	39	33.6%	9	7.8%

Population Category	OUTSIDE-MANUAL Resps. covering ALL jobs	% of Categ. Tot.	Resps. covering non-union jobs only	% of Categ. Tot.	FULLTIME FIREFIGHTERS Resps. covering ALL jobs	% of Categ. Tot.	Resps. covering non-union jobs only	% of Categ. T
(1) 1 to 9,999	4	19.0%	0	0.0%	0	0.0%	1	4.8%
(2) 10,000 to 49,999	2	6.3%	1	3.1%	1	3.1%	0	0.0%
(3) 50,000 to 99,999	3	10.3%	1	3.4%	0	0.0%	0	0.0%
(4) 100,000 and over	3	8.8%	0	0.0%	0	0.0%	0	0.0%
COLUMN TOTAL	12	10.3%	2	1.7%	1	0.9%	1	0.9%

Population Category	OTHER Respondents covering OTHER groups	% of Categ. Tot.	CATEGORY TOTAL	% of CATEG. TOT.
(1) 1 to 9,999	0	0.0%	21	100.0%
(2) 10,000 to 49,999	0	0.0%	32	100.0%
(3) 50,000 to 99,999	2	6.9%	29	100.0%
(4) 100,000 and over	1	2.9%	34	100.0%
COLUMN TOTAL	3	2.6%	116	100.0%

one must add another 12 responses to the responses for the administrative-management group, bringing the total to 61 responses or 52.6% of all responses.

While this would seem to indicate, at first, that a majority of municipal employers with plans conduct job evaluation on only their non-unionized jobs, the majority is a small one. The results of Table 7 indicate that many of these same employers are not altogether unwilling to extend job evaluation to the unionized jobs within a job group since 73.7% of employers with job evaluation plans stated that the plan covered both the unionized and non-unionized jobs in at least one job group.

It is possible that the reluctance to have job evaluation cover unionized jobs exists only during the initial establishment stages of job evaluation since employers may not want to be placed in a position where they have to share their decision-making power with the union at a time when they, themselves, are just beginning to be educated on the process and understand its intricacies. If this is the case, then the fact that there were slightly more responses, in Table 6, indicating non-union coverage than union coverage may, therefore, be the reflection of an interim phase for some employers. That is, some employers may be at the beginning stages of implementing job evaluation and are, themselves, learning about it. Once it has been tested and fine-tuned on a non-unionized job group, these employers may join others in extending it to unionized jobs.

TABLE 7

Job Evaluation Plan Coverage
Non-unionized Groups versus Unionized Groups

Population Category	only non-union groups	% of Categ. Tot.	union and non-union groups	% of Categ. Tot.	CATEGORY TOTAL	% of CATEG. TOT.
(1) 1 to 9,999	1	11.1%	8	88.9%	9	100.0%
(2) 10,000 to 49,999	7	41.2%	10	58.8%	17	100.0%
(3) 50,000 to 99,999	1	7.7%	12	92.3%	13	100.0%
(4) 100,000 and over	6	33.3%	12	66.7%	18	100.0%
COLUMN TOTALS	15	26.3%	42	73.7%	57	100.0%

Duration of Plan:

Table 8 shows the length of time that a municipality's most recent job evaluation plan has been in practice.

The number of respondents indicating that their plan was between 1 to under 4 years old equalled the number stating that their plan was 8 years or older (32.6% in each case). However, by population category, larger municipalities have had job evaluation plans in place for a longer period than have smaller municipalities. This would seem to indicate that experience with job evaluation is concentrated amongst larger municipalities.

TABLE 8

Question 7 - Duration of Most Recent Job Evaluation Plan

Population Category	Less than 1 year	% of Categ. Tot.	1 to under 4 yrs.	% of Categ. Tot.	4 to under 8 yrs.	% of Categ. Tot.
(1) 1 to 9,999	1	20.0%	2	40.0%	1	20.0%
(2) 10,000 to 49,999	1	7.1%	8	57.1%	3	21.4%
(3) 50,000 to 99,999	1	9.1%	3	27.3%	3	27.3%
(4) 100,000 and over	2	15.4%	1	7.7%	3	23.1%
COLUMN TOTALS	5	11.6%	14	32.6%	10	23.3%

Population Category	8 yrs. and over	% of Categ. Tot.	CATEGORY TOTAL	% of CATEG. TOT.	No Response	% of TOTAL plus NO RESPONSE
(1) 1 to 9,999	1	20.0%	5	100.0%	4	44.44%
(2) 10,000 to 49,999	2	14.3%	14	100.0%	3	17.65%
(3) 50,000 to 99,999	4	36.4%	11	100.0%	2	15.38%
(4) 100,000 and over	7	53.8%	13	100.0%	5	27.78%
COLUMN TOTALS	14	32.6%	43	100.0%	14	24.56%

Plan Establishment and Administration:

In question 8 municipalities were asked to state the manner in which the plan, that covers bargaining unit groups, was initially established. Table 9 shows that a majority of respondents (60.7%), and primarily those in larger municipalities, established plans in conjunction with the union that represents their employees. These employers may feel that it is neither worth the time nor the expense to keep the union away from their intentions to conduct job evaluation since the key issue affected by the outcome of job evaluation is salary level - an issue over which the union can negotiate and exert influence. It should be noted, though, that this does not necessarily mean that bargaining unit jobs were the first ones to be covered by the plan.

As shown in Table 10, a majority of smaller municipal respondents (57.1%) indicated that the plan, covering bargaining unit jobs, was established outside formal negotiations. Slightly more than half of the larger municipal respondents, on the other hand, indicated that their plan had been established using the negotiations process. It may be that the increased difficulty associated with formulating plans that cover larger job structures and the potentially greater number of related issues affected by the outcome of job evaluation, caused these larger employers to select a more formal forum for their discussions. However, since these employers constitute only a marginal majority of the large municipal respondents, this may be more of an

TABLE 9

Question 8 - Party Establishing Plan Covering Bargaining Unit Employees

Population Category	by Mgt. Only	% of Categ. Tot.	with union	% of Catg. Tot.	CATEGORY TOTAL	% of CATEG. TOT.	No Response	% of TOTAL plus NO RESPONS.
(1) 1 to 9,999	2	66.7%	1	33.3%	3	100.0%	8	72.7%
(2) 10,000 to 49,999	4	66.7%	2	33.3%	6	100.0%	8	57.1%
(3) 50,000 to 99,999	3	37.5%	5	62.5%	8	100.0%	6	42.9%
(4) 100,000 and over	2	18.2%	9	81.8%	11	100.0%	7	38.9%
COLUMN TOTALS	11	39.3%	17	60.7%	28	100.0%	29	50.9%

TABLE 10

Question 9 - Establishment of Job Evaluation Plan Covering Bargaining Unit Employees Through Negotiations

Population Category	yes	% of Categ. Tot.	no	% of Categ. Tot.	CATEGORY TOTAL	% of CATEG. TOT.	No Response	% of TOTAL plus NO RESPONSE
(1) 1 to 9,999	2	50.0%	2	50.0%	4	100.0%	7	63.6%
(2) 10,000 to 49,999	0	0.0%	6	100.0%	6	100.0%	8	57.1%
(3) 50,000 to 99,999	4	50.0%	4	50.0%	8	100.0%	6	42.9%
(4) 100,000 and over	6	60.0%	4	40.0%	10	100.0%	8	44.4%
COLUMN TOTALS	12	42.9%	16	57.1%	28	100.0%	29	50.9%

exception than it is the rule. Indeed, it appears that, if given a choice, the employer's preference is to establish the plan outside formal negotiations.

Table 11 reveals that a majority of municipal employers across the first three population categories are unwilling to share their decision-making power with the union when the plan is being formally administered for bargaining unit jobs. Most employers choose to retain full control over this phase.

On the other hand, very large employers (those with populations of 100,000 or over) choose, as well, to administer the plan jointly with the union (66.7% of category 4 respondents). In these municipalities, bargaining unit size may be a consideration in the employer's decision to share its authority with the union. Furthermore, Table 12 shows that, in a majority of these instances, the employer involves the union as an active participant rather than using the union for consultative purposes only (88.7% of category 4 respondents). In fact, this is also true for employers in the other three population categories who have elected to jointly administer the plan with the union. However, given the results from Table 11, this latter group is a very small portion of the total respondents from these three population categories.

The remaining questions of the survey solicited responses for details about the job evaluation plan itself.

TABLE 11

Question 10 - Administration of Job Evaluation Plan
Covering Bargaining Unit Employees

Population Category	by Mgt. Only	% of Categ. Tot.	with union	% of Categ. Tot.
(1) 1 to 9,999	2	66.7%	1	33.3%
(2) 10,000 to 49,999	4	80.0%	1	20.0%
(3) 50,000 to 99,999	5	62.5%	3	37.5%
(4) 100,000 and over	3	33.3%	6	66.7%
COLUMN TOTALS	14	56.0%	11	44.0%

Population Category	CATEGORY TOTAL	% of CATEG. TOT.	No Response	% of TOTAL plus NO RESPONSE
(1) 1 to 9,999	3	100.0%	8	72.7%
(2) 10,000 to 49,999	5	100.0%	9	64.3%
(3) 50,000 to 99,999	8	100.0%	6	42.9%
(4) 100,000 and over	9	100.0%	9	50.0%
COLUMN TOTALS	25	100.0%	32	56.1%

TABLE 12

Question 11 - Role Played By Union If Plan Jointly Administered

Population Category	Consul-tative Only	% of Categ. Tot.	Active Particip.	% of Categ. Tot.	CATEGORY TOTAL	% of CATEG. TOT.	No Response	% of TOTAL plus NO RESPONSE
(1) 1 to 9,999	0	0.0%	1	100.0%	1	100.0%	10	90.9%
(2) 10,000 to 49,999	0	0.0%	2	100.0%	2	100.0%	12	85.7%
(3) 50,000 to 99,999	2	50.0%	2	50.0%	4	100.0%	10	71.4%
(4) 100,000 and over	1	14.3%	6	85.7%	7	100.0%	11	61.1%
COLUMN TOTALS	3	21.4%	11	78.6%	14	100.0%	43	75.4%

Plan Details:

Table 13a shows that a large majority of those with job evaluation plans use the point-method over the other three types of job evaluation methods (74.5% of respondents). Given that the assessment of equal pay for work of equal value requires "comparisions" amongst jobs with dissimilar duties, using points, that possess no inherent value other than to act as a unit-free medium of measure, is believed by many to be a method that is well-suited for the task. In this light, the municipalities that use the point-method may have a head start on any legislation requiring equal pay for work of equal value.

In question 5 respondents were asked to state whether their job evaluation plan was written down and if so, in what form. Table 13b shows that all respondents, who answered the question, indicated that the plan was written down. As shown in Table 13c, a marginal majority (42.3% of all respondents) stated that the plan was contained in a special manual only. However, most of the large municipal respondents indicated that the plan was additionally covered by a policy.

Question 12 asked respondents to state the name of the plan that they use. Most cited Thorne, Stevenson and Kellogg's point method plan (or referred to as the Aiken plan) as the one being used. However, many of these plan holders indicated that they had modified the original criteria of the plan to suit certain job

TABLE 13A

Question 13 - Methodology Used By Job Evaluation Plan

Population Category	Rank Order	% of Categ. Tot.	Job Classif. Order	% of Categ. Tot.
(1) 1 to 9,999	1	20.0%	2	40.0%
(2) 10,000 to 49,999	3	21.4%	1	7.1%
(3) 50,000 to 99,999	2	15.4%	1	7.7%
(4) 100,000 and over	1	5.3%	0	0.0%
COLUMN TOTALS	7	13.7%	4	7.8%

Population Category	Point-Method	% of Categ. Tot.	Factor-Compar.	% of Categ. Tot.	CATEGORY TOTAL	% of CATEG. TOT.	No Response	% of TOTAL plus NO RESPONSE
(1) 1 to 9,999	2	40.0%	0	0.0%	5	100.0%	3	37.5%
(2) 10,000 to 49,999	9	64.3%	1	7.1%	14	100.0%	3	17.6%
(3) 50,000 to 99,999	10	76.9%	0	0.0%	13	100.0%	0	0.0%
(4) 100,000 and over	17	89.5%	1	5.3%	19	100.0%	0	0.0%
COLUMN TOTALS	38	74.5%	2	3.9%	51	100.0%	6	10.5%

TABLE 13B

Question 5a - Is your job evaluation plan written down?

Population Category	yes	% of Categ. Tot.	no	% of Categ. Tot.	CATEGORY TOTAL	% of CATEG. TOT.	No Response	% of TOTAL plus NO RESPONSE
(1) 1 to 9,999	7	100.0%	0	0.0%	7	100.0%	2	22.2%
(2) 10,000 to 49,999	16	100.0%	0	0.0%	16	100.0%	1	5.9%
(3) 50,000 to 99,999	13	100.0%	0	0.0%	13	100.0%	0	0.0%
(4) 100,000 and over	16	100.0%	0	0.0%	16	100.0%	2	11.1%
COLUMN TOTALS	52	100.0%	0	0.0%	52	100.0%	5	8.8%

TABLE 13C

Question 5b - Communication of Job Evaluation Plan

Population Category	Policy only	% of Categ. Tot.	Special Manual only	% of Categ. Tot.
(1) 1 to 9,999	4	57.1%	3	42.9%
(2) 10,000 to 49,999	4	25.0%	8	50.0%
(3) 50,000 to 99,999	2	15.4%	4	30.8%
(4) 100,000 and over	0	0.0%	7	43.8%
COLUMN TOTALS	10	19.2%	22	42.3%

Population Category	Policy and Manual	% of Categ. Tot.	CATEGORY TOTAL	% of CATEG. TOT.	No Response	% of TOTAL plus NO RESPONSE
(1) 1 to 9,999	0	0.0%	7	100.0%	2	22.2%
(2) 10,000 to 49,999	4	25.0%	16	100.0%	1	5.9%
(3) 50,000 to 99,999	7	53.8%	13	100.0%	0	0.0%
(4) 100,000 and over	9	56.3%	16	100.0%	2	11.1%
COLUMN TOTALS	20	38.5%	52	100.0%	5	8.8%

families.

Table 14 shows that a majority of respondents (62%) use 9 or more compensable factors in their plan. Given that a majority have "purchased" their plan, these factors are, in fact, part of the plan's contents.

The nine factors most often cited were complexity/judgement, education, work experience, independence of action, result of errors, contacts, supervision (character and scope), physical demands and working conditions, representing a finer break down of the four factors (i.e. skill, effort, responsibility and working conditions) presently required by equal value legislation in existence at the federal level and in some provincial jurisdictions.

Other than to determine whether jobs, and their accompanying salaries, are logically rank-ordered to fit the organization's internal criteria for value, job evaluation, itself, does not specifically address the competitiveness of salaries with those being paid by the marketplace for comparable jobs. To this end, job evaluation plans need to be linked to a survey of comparable jobs in the external market.

Table 16 shows that a majority of respondents (74%) do, in fact, use a wage survey of comparable jobs. It is reasonable, therefore, to conclude that, when setting municipal salaries, external factors, in addition to internal criteria, play a role. However,

TABLE 14

Question 14a - Number of Compensable Factors Used
By Job Evaluation Plan

Population Category	4 or less factors	% of Categ. Tot.	5 and under 9 factors	% of Categ. Tot.
(1) 1 to 9,999	2	66.7%	0	0.0%
(2) 10,000 to 49,999	2	18.2%	2	18.2%
(3) 50,000 to 99,999	1	9.1%	1	9.1%
(4) 100,000 and over	3	17.6%	5	29.4%
COLUMN TOTALS	8	19.0%	8	19.0%

Population Category	9 or more factors	% of Categ. Tot.	CATEGORY TOTAL	% of CATEG. TOT.	No Response	% of TOTAL plus NO RESPONSE
(1) 1 to 9,999	1	33.3%	3	100.0%	6	66.7%
(2) 10,000 to 49,999	7	63.6%	11	100.0%	6	35.3%
(3) 50,000 to 99,999	9	81.8%	11	100.0%	2	15.4%
(4) 100,000 and over	9	52.9%	17	100.0%	1	5.6%
COLUMN TOTALS	26	61.9%	42	100.0%	15	26.3%

TABLE 15

Question 15 - Use of Bench-mark Jobs

Population Category	yes	% of Categ. Tot.	no	% of Categ. Tot.	CATEGORY TOTAL	% of CATEG. TOT.	No Response	% of TOTAL plus NO RESPONSE
(1) 1 to 9,999	1	16.7%	5	83.3%	6	100.0%	3	33.3%
(2) 10,000 to 49,999	1	9.1%	10	90.9%	11	100.0%	6	35.3%
(3) 50,000 to 99,999	4	33.3%	8	66.7%	12	100.0%	1	7.7%
(4) 100,000 and over	7	50.0%	7	50.0%	14	100.0%	4	22.2%
TOTALS	13	30.2%	30	69.8%	43	100.0%	14	24.6%

TABLE 16

Question 16 - Use of External Wage Survey of Comparable Jobs

Population Category	yes	% of Categ. Tot.	no	% of Categ. Tot.	CATEGORY TOTAL	% of CATEG. TOT.	No Response	% of TOTAL plus NO RESPONSE
(1) 1 to 9,999	6	75.0%	2	25.0%	8	100.0%	1	11.1%
(2) 10,000 to 49,999	8	80.0%	2	20.0%	10	100.0%	7	41.2%
(3) 50,000 to 99,999	10	76.9%	3	23.1%	13	100.0%	0	0.0%
(4) 100,000 and over	10	66.7%	5	33.3%	15	100.0%	3	16.7%
COLUMN TOTAL	34	73.9%	12	26.1%	46	100.0%	11	19.3%

the details of the manner in which this survey is conducted or the sample group used is not known since the questionnaire was not designed to deal with this matter in any great detail. Consequently, the extent to which these external factors influence the employer's wage-setting practices is not readily known.

Since one of the outcomes of job evaluation (which includes the external wage survey) is the identification of discrepancies amongst salaries based on internal criteria and external comparability, it follows that some policy directive for contending with inequities should be in place.

Table 17 shows that a majority of respondents have implemented a policy of red-circling (ie. temporarily exempting jobs that have been identified as being overpaid, from future salary increases). That is, rather than raising the salaries of underpaid jobs or lowering those of overpaid jobs or using some other statistical method to adjust inequities, respondents indicated a strong preference for waiting until the market rates of comparable jobs rise and "catch-up" to the salaries they pay. As such, employers attempt to save on some of the costs associated with paying salary increases by fixing the salary bases of overpaid jobs for longer periods of time.

TABLE 17

Question 17 - Method Used to Rectify Discrepancies Identified by Job Evaluation Plan

Population Category	Red-Circle	% of Categ. Tot.	Lower Wage Increased	% of Categ. Tot.	Higher Wage Decreased	% of Categ. Tot.
(1) 1 to 9,999	2	33.3%	2	33.3%	1	16.7%
(2) 10,000 to 49,999	9	81.8%	2	18.2%	0	0.0%
(3) 50,000 to 99,999	11	84.6%	2	15.4%	0	0.0%
(4) 100,000 and over	9	69.2%	3	23.1%	0	0.0%
COLUMN TOTALS	31	72.1%	9	20.9%	1	2.3%

Population Category	Avg. of salaries with discrepancies	% of Categ. Tot.	Other	% of Categ. Tot.	CATEGORY TOTAL	% of CATEG. TOT.	No Response	% of TOTAL plus NO RESPONS
(1) 1 to 9,999	1	16.7%	0	0.0%	6	100.0%	3	33.3%
(2) 10,000 to 49,999	0	0.0%	0	0.0%	11	100.0%	3	21.4%
(3) 50,000 to 99,999	0	0.0%	0	0.0%	13	100.0%	0	0.0%
(4) 100,000 and over	0	0.0%	1	7.7%	13	100.0%	1	7.1%
COLUMN TOTALS	1	2.3%	1	2.3%	43	100.0%	7	14.0%

Conclusion:

This survey attempted to determine the current state of policy and practice of Ontario municipal employers with respect to job evaluation. The analysis presented and the conslusions drawn in this study are based on the results of the questionnaire and, to a limited extent, on a set of assumptions about the attitudes of the parties towards the job evaluation process, wage-setting practices and each other in general. The interpretation given to the results could, therefore, change somewhat if these behavioural assumptions are found to not hold true.

The intent of providing an analysis with the factual results of the survey was to shed some light on certain issues that will likely be part of the on-going debate about the scope of coverage and implementation of equal pay for work of equal value. As well, it is hoped that this will encourage those who have not as yet formed an opinion about equal pay for work of equal value and the role job evaluation should play in this concept to form an opinion. Notwithstanding this, the analysis presented here should not be interpreted as representing the policy positions of AMO. Rather, it should be interpreted as being only one possible scenario.

The major findings of this survey show that a majority of the Ontario municipal sector do not have a system of job evaluation in place and, to this end, show that a large portion this sector

may be ill-prepared, at the present time, for determining equal pay for work of equal value.

The question of whether the provincial government's initiatives towards equal pay for work of equal value, if they happen to be premised in part upon the implementation of a job evaluation system, will affect all municipalities equally or only those of a particular size, still remains uncertain. Indeed, the results of this survey indicate that small municipal employers, who comprise a sizeable portion of the municipal sector in Ontario, have not addressed the issue of job evaluation.

For those that will be required to implement a job evaluation plan, the limited understanding of job evaluation methods, in general, and the large amount of time normally required to implement a system will likely mean that employers will rely heavily upon management consultants who possess the expertise and knowledge to assist in laying the initial ground work. This may be particularly true if the provincial government's desire to have equal pay for work of equal value remains strong, thereby dictating a short time frame for implementation.

A heavy reliance upon a small group of consultants means, on the one hand, that employers will have to be prepared to incur what may be a sizeable expenditure for using a pre-packaged plan. On the other hand, this could be of benefit in ensuring some degree of consistency across employers. Such a consistency, however, should not be construed as meaning that outcomes of job eval-

uation will be similar across employers since the subjective nature of decisions made during job evaluation are likely to create different outcomes.

The small number of municipal employers that do have job evaluation systems in place, a majority of whom share a method of job evaluation well suited to assess equal value, would appear to be the employers that have a head start with respect to any equal value legislation. This is subject, however, to their respective plans conforming with legislation. Under Manitoba equal value legislation, for example, plans that are implemented must be "gender-neutral". While it is not clear as to what this term means in practice or what criteria a plan must satisfy in order to be considered gender-neutral, it is possible that some employers in that province, who already possess plans, may have to repeat the exercise of job evaluation from "scratch", thereby incurring, once again, all of the related start-up costs. If Ontario follows along with Manitoba, then those municipal employers that presently have plans may be placed in a similar situation.

The issue of whether job evaluation should or should not be a joint venture between the employer and the union is difficult to assess. While this survey has shown that some employers are willing to share the decision-making of job evaluation with the respective unions that represent their employees, both in terms of implementation and, to a lesser extent, with administration,

the results seem to indicate, as well, that employers may be reluctant to do so until they, themselves, are fully satisfied with the workings of the plan and have had a chance to be educated on the process.

Whether employers are willing to negotiate the plan at the bargaining table or not, also remains in question. The results seem to indicate that, if given a choice on how the plan is to be established, employers would prefer discussions outside formal rounds of bargaining as opposed to negotiating it at the bargaining table, thereby subjecting themselves to undesirable dispute resolution mechanisms in the event of impasse.

An important part of job evaluation is salary adjustment when jobs have been identified as having wage inequities. While job evaluation aids only in the identification of such inequities from an internal perspective, external salary comparisons are still required if the organization wishes to remain competitive in the marketplace and attract qualified individuals. The results of this survey show that municipal employers, for the most part, believe that the establishment of internal equity should go hand-in-hand with external determinants of salary and, as a result, have developed an integrative system.

The marketplace, however, is not limited to municipal or public sector employers but, rather, extends into the private sector where comparable jobs do exist and where, because of its diversity and fragmented nature, implementation of equal value can be

expected to lag behind the Ontario public sector and the broader public sector. As such equal value initiatives that bring salaries into line, internally, within individual municipalities, via job evaluation, are not likely to stay that way for very long as the influence of the external market undoes what internal methods have been able to accomplish. In other words, an employer, who has done away with internal inequities, faces the prospect of importing those inequities back into the organization if an external comparison of comparable jobs includes jobs whose salaries are heavily influenced by market factors, for example, and if the employer relies heavily upon external comparisons to set salaries.

Although job evaluation is a valuable management tool for understanding and monitoring job contents and assisting in the adjustment of salaries, the results of this survey point to one factor - not all employers in the municipal sector share that belief. Indeed, it may be that this view is related moreso to perceived administrative problems and costs than it is to the general philosophy of job evaluation itself.

APPENDIX A:

A.M.O.

JOB EVALUATION

QUESTIONNAIRE

AMO

Association of Municipalities of Ontario

Suite 902 • 100 University Avenue, Toronto, Ontario M5J 1V6 • Telephone 593-1441

September 12, 1985.

Dear Sir/Madam :

As you are aware, the issue of "equal pay for work of equal value" is one that the provinicial government has stated is high on its priority list of labour relations issues to be considered in the legislature this fall. At the heart of the issue are job evaluation plans which will be used to assess equal value amongst jobs.

The government has stated that it will be tabling a discussion paper and draft legislation on equal pay for work of equal value later this fall and it is expected that both of these will address job evaluation.

Once tabled, AMO will respond to the proposals and make a submission to the government. In preparation for this brief, we are presently collecting data from all Ontario municipalities to assess the current state of job evaluation practices in the municipal sector.

To assist us in this task we are asking that either you or the individual within your municipality who is the most familiar with your job evaluation plan, if your municipality has one, complete the enclosed survey form and <u>return it to our office by October 18, 1985.</u>

As well as providing valuable data for the AMO brief, the results of the survey will be made available to AMO member municipalities in summarized report form.

The completed form should be mailed to :

AMO LABOUR RELATIONS
C/O A.M.O.
100 University Avenue, Suite 902
Toronto, Ontario
M5J 1V6

Yours truly,

Sharad Kerur

Sharad Kerur
Manager,
Labour Relations Services

AMO

Association of Municipalities of Ontario

Suite 902 • 100 University Avenue, Toronto, Ontario M5J 1V6 • Telephone 593-1441

SURVEY OF MUNICIPAL JOB EVALUATION PLAN

September, 1985

Instructions: a) unless otherwise indicated, please check off only one in each question

b) comment as indicated. If you need more space for comments, please attach additional pages.

1. Municipality name: _____

   Your Name and Position: _____

2. Municipality's Population:

1 to 9,999	_____
10,000 to 49,999	_____
50,000 to 99,999	_____
100,000 +	_____

> **Job Evaluation** is defined as:
>
> "The process of determining the value (and base wage) of a job within a firm relative to all other jobs in that firm."

3. a) Does your municipality use a job evaluation plan at present?

   Yes _____ No _____

   b) If yes, how many? _____

4. a) If you answered yes, what influenced your municipality to establish a plan? (please comment)

   _____

   _____

   _____

   _____

   b) If you answered no, why did your municipality decide against having a job evaluation plan? (please comment)

   _____

   _____

   _____

   _____

IF YOU ANSWERED YES, to Question 3(a), please continue.
IF YOU ANSWERED NO to Question 3(a), thank-you for your time and please return this survey to us promptly as specified in 18.

5. a) Is your job evaluation written down? Yes _____ No _____

   b) If yes, is it contained in a policy (__), a special manual (__), or both (__)?

   c) If no, how are the details of the plan communicated to others? (please comment)

   _____

   _____

   _____

... over

6. a) Which employee groups does the job evaluation plan cover? (You may check off more than one category.)

	All Employees In this Category	Only a Selected Sub-group in this Category (specify)
i) administrative-management	_____	_____
ii) clerical-technical	_____	_____
iii) outside-manual	_____	_____
iv) full-time firefighters	_____	_____
v) other (please specify)		_____

7. For how long has your most recent job evaluation plan been in effect?

_____

8. If you have a plan that covers bargaining unit employees, how was the plan initially established?

by management only (__) with the union (__) other (specify) (_____)

9. Was the plan which covers bargaining unit employees negotiated at the bargaining table?

Yes _____ No _____

10. How is the plan which covers bargaining unit employees administered?

by management only (__) with the union (__) other (specify) (_____)

11. If the plan is jointly administered with the union, what role does the union play?

consultative only (__) active participant (__) other (specify) (____)

Plan Details

12. What is the name of your job evaluation plan? _____

_____

13. Is it based upon: rank order (__) job classification ordering (__)

the point method (__) factor comparison (__) other (specify) (_____)

14. a) How many compensable factors (for example, skill, effort, responsibility) are used by the plan? _____

b) Please list the compensable factors: _____

_____

15. Does the plan require you to establish bench-mark jobs?

Yes _____ No _____

16. Is a wage survey of comparable jobs outside your municipality used in conjunction with your plan? Yes _____ No _____

17. If discrepancies are discovered to exist in the base wages of jobs once the job evaluation has been completed, how are such discrepancies normally handled?

i) the wage(s) are usually red-circled _____
ii) the lower wage is increased to match the higher wage _____
iii) the higher wage is decreased to match the lower wage _____
iv) the wages with discrepancies are averaged and this amount is used _____
v) other (please specify) _____

18. Thank you for you co-operation and please return this survey to us promptly. If you have any questions, or wish further information, please call Sharad Kerur at (416) 593-1441. Please return completed form to Sharad Kerur, Manager of Labour Relations, Association of Municipalities of Ontario, Suite 902, 100 University Avenue, Toronto, Ontario, M5J 1V6 by October 18, 1985.